

Amy Zimpfer/R9/USEPA/US

08/10/2006 04:45 PM

To joseph lapka@EPA

СС

bcc

Subject Fw: Letter Regarding SCAQMD Unfunded Carl Moyer **Projects**

Amy Zimpfer, Air Division, US EPA, 75 Hawthorne Street, San Francisco, CA 94105-3901, 415-947-8715, zimpfer.amy@epa.gov

---- Forwarded by Amy Zimpfer/R9/USEPA/US on 08/10/2006 04:45 PM -----



"Wood, Thomas" <TRWOOD@stoel.com> 02/28/2006 12:15 PM

To cliu@aqmd.gov

cc "Gary Yee (E-mail)" <gyee@arb.ca.gov>, "Renee Klimczak (E-mail)" <Renee.Klimczak@BHPBilliton.com>, Amy Zimpfer/R9/USEPA/US@EPA

Subject Letter Regarding SCAQMD Unfunded Carl Moyer Projects

Chung: Gary Yee indicated that you would like a letter stating that if BHP chooses to pursue unfunded SCAQMD Carl Moyer projects, it will first obtain SCAQMD's and CARB's buy-in that the projects are suitable for funding. Attached is such a letter. Based on this commitment, we understand that you and your colleagues are willing to sit down with BHP to evaluate possible projects that sought Carl Moyer funding from SCAQMD but were ultimately not funded.

We look forward to scheduling a meeting at your earliest opportunity. Please give me a call or send me an email with your availability.

Thank you for your assistance.

Tom

Thomas R. Wood Stoel Rives LLP

Phone: (503) 294-9396 (503) 349-4845 Cell: Fax: (503) 220-2480

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February 28, 2006

THOMAS R. WOOD Direct (503) 294-9396 trwood@stoel.com

BY EMAIL AND BY US MAIL

Chung S. Liu
Deputy Executive Officer
Science and Technology Advancement
South Coast AQMD
21865 Copley Drive
Diamond Bar, California 91765-4178

Re: Cabrillo Port LNG Terminal & Unfunded Carl Moyer Projects

Dear Mr. Liu:

This firm is assisting BHP Billiton LNG International, Inc ("BHP") in evaluating emission reduction opportunities in relation to its proposed offshore LNG terminal. BHP has already taken significant steps to minimize emissions from the terminal and the vessels servicing that terminal by insisting on state of the art vaporization and combustion equipment. This includes low emitting submerged combustion vaporizers and the use of natural gas fired LNG carriers and service vessels. No other LNG facility in the country has promised such a low impact suite of equipment.

Although the project emissions will be very low and the onshore impacts de minimis, BHP is committed to providing further emission reduction opportunities in the region. CARB has informed us that SCAQMD has a list of unfunded Carl Moyer projects that might be viable candidates for funding. We understand from Gary Yee that before providing us a list of such projects you would like BHP to commit to working with SCAQMD and CARB to ensure that any projects identified on the list are suitable for funding and consistent with the agencies' priorities. Please rest assured that BHP shares the same interests as SCAQMD and CARB in ensuring that any projects it funds are cost-effective and sensible. BHP welcomes your participation as well as that of CARB in evaluating/prioritizing the opportunities on the SCAQMD list of unfunded Carl Moyer projects. If appropriate projects are identified, BHP is comfortable working with both agencies in the selection process.

Oregon Washington California Utah Idaho



Mr. Chung Liu February 28, 2006 Page 2

I hope that this letter allays any concerns you might have that BHP would implement unfunded SCAQMD Carl Moyer projects that are inconsistent with SCAQMD's priorities. If cost-effective opportunities are identified that are consistent with BHP's legal requirements, the company is comfortable being guided by SCAQMD's and CARB's priorities in selecting the best projects to pursue.

We look forward to the opportunity to sit down with you at your earliest convenience to discuss emission reduction opportunities. Please call me to schedule a mutually agreeable time..

Sincerely,

Thomas R. Wood

cc: Renee Klimczak

Amy Zimpfer (EPA Region 9)

Gary Yee (CARB)